

# Management Policies

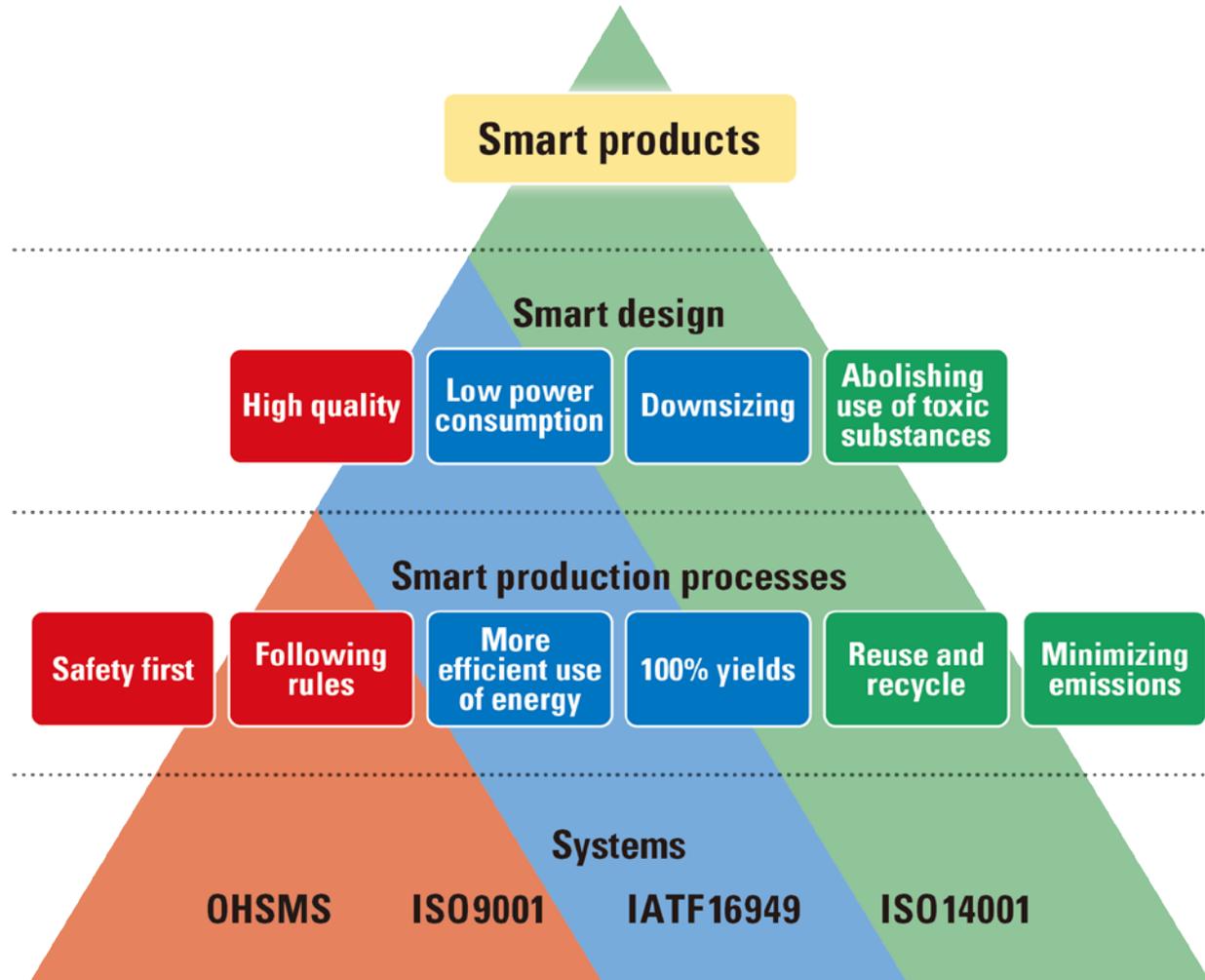
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Shoichi Tosaka  
President and Chief Executive Officer

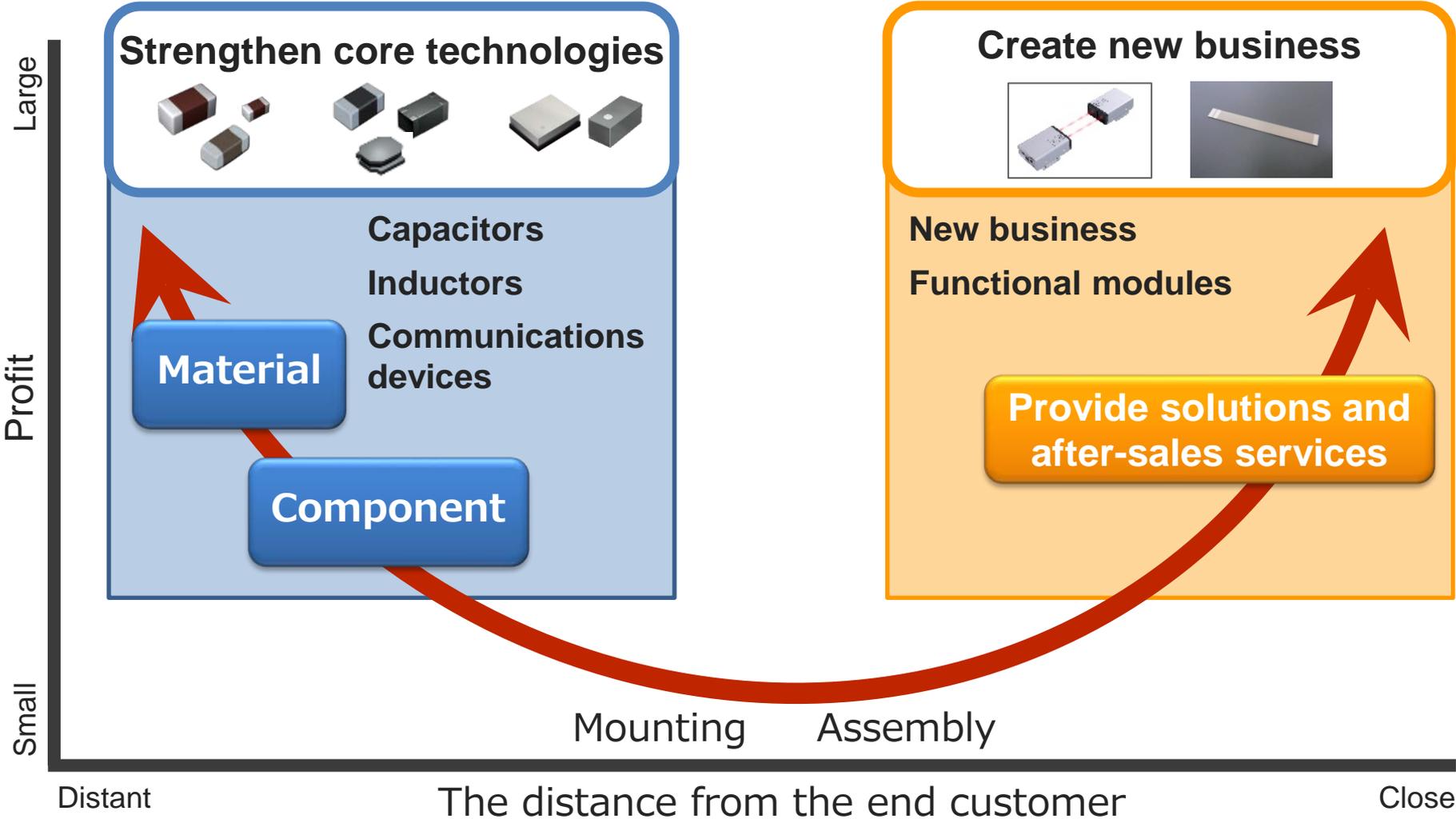
May 12, 2020

# TAIYO YUDEN Vision

To be an excellent company that enjoys the trust and highest regard from our customers

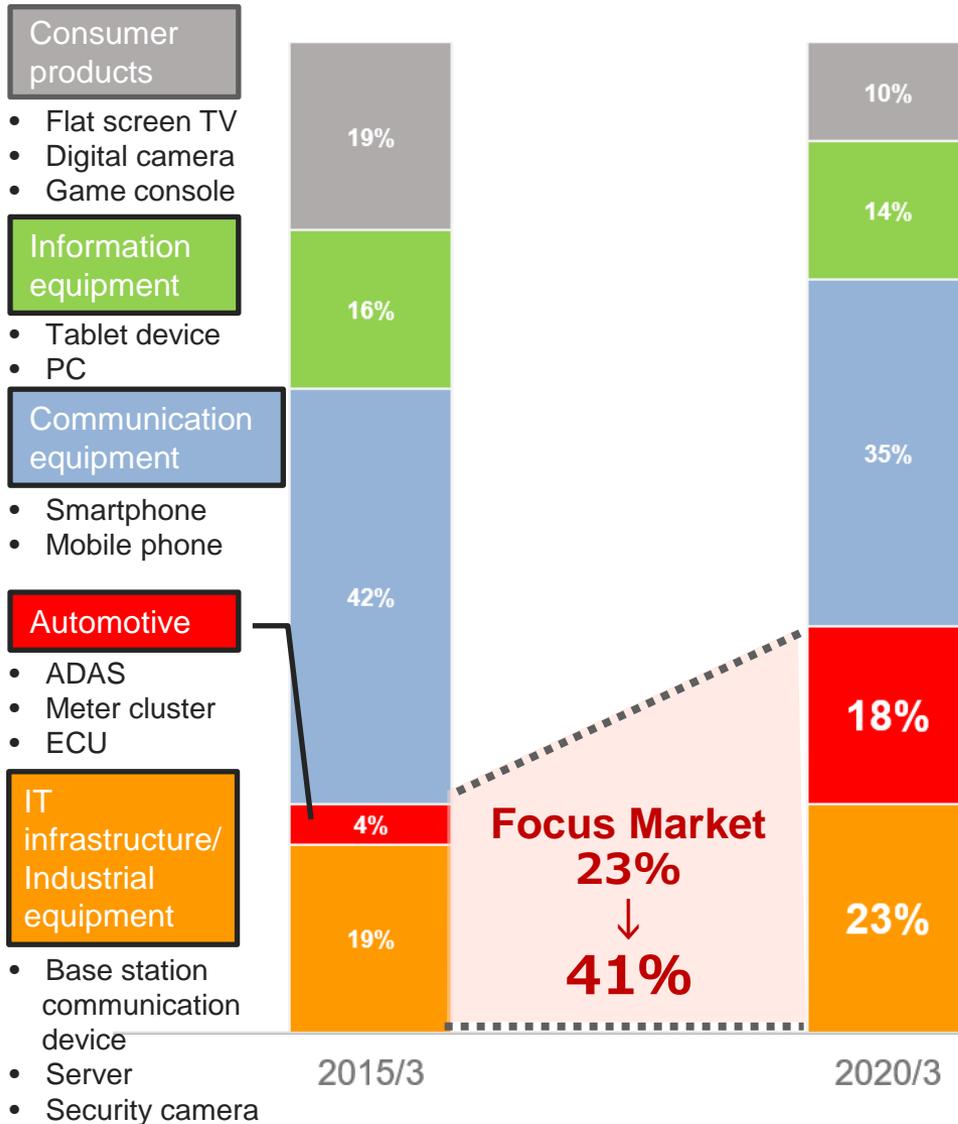


## Three products and one solution



# Sales Expansion in Automotive and IT Infrastructure Markets

## Sales composition by market sector



Focus on growing markets  
(Automotive and IT infrastructure)

**Sales Composition in Focus Market**

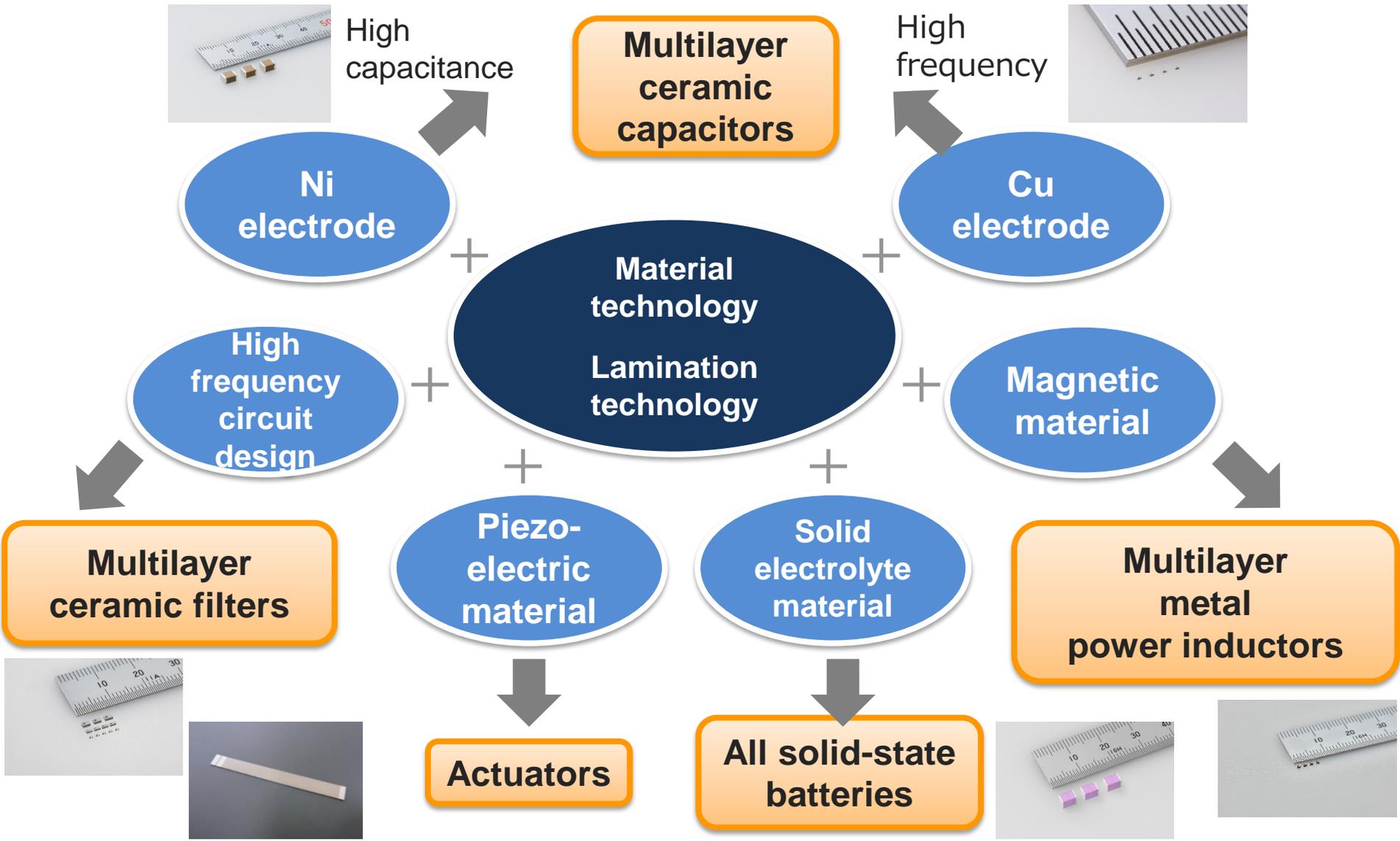
**Target 50%**

Automotive	25%
IT infrastructure/ Industrial equipment	25%

Shift to a business structure that is less susceptible to fluctuations in demand, improve stability of business performance

# Roll Out of Products That Are Largely Based on Material and Lamination Technologies

Supply of high-end electronic components that underpin technological advances, such as IoT, 5G and increased use of automotive electrical equipment



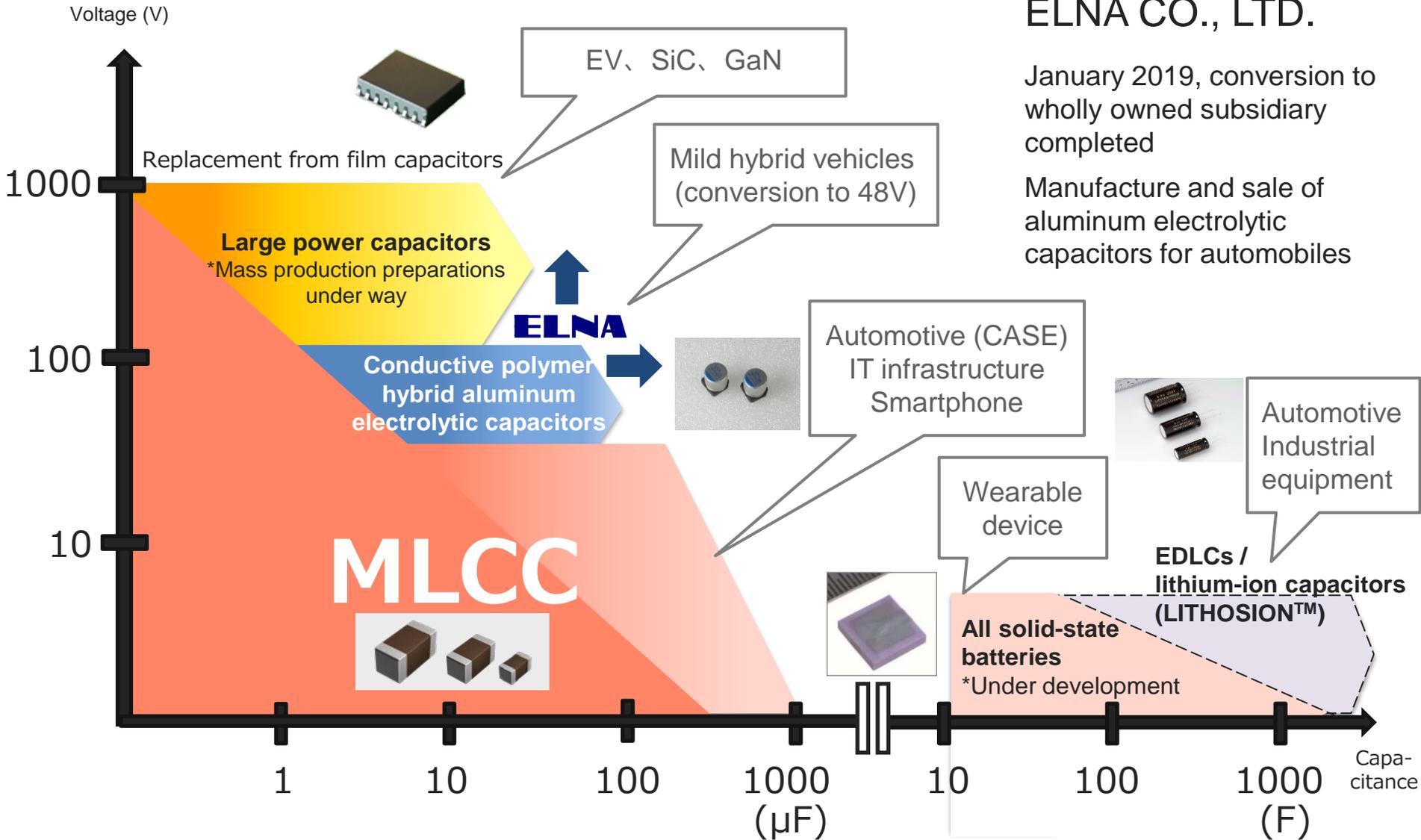
# Capacitor Business Direction and Positioning of ELNA CO., LTD.

**ELNA**

ELNA CO., LTD.

January 2019, conversion to wholly owned subsidiary completed

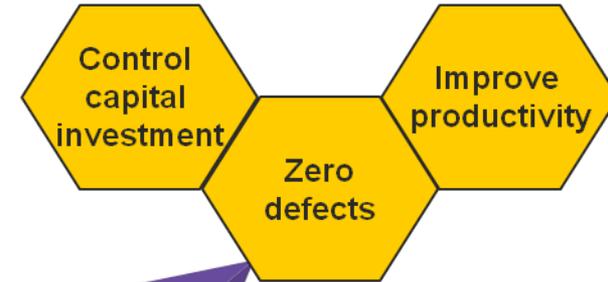
Manufacture and sale of aluminum electrolytic capacitors for automobiles



# smart. E Project: Evolution in the Manufacturing Process

## ~Shift from G to E~

Utilize IoT and big data  
to eliminate wastefulness, inconsistency and overburden;  
promote major advancements in manufacturing



Innovative  
advance

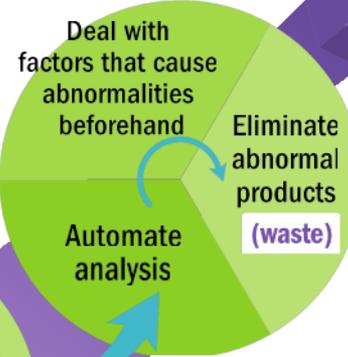
↓  
Location free

### FY2019 results

- Early detection/prevention of abnormalities by utilizing AI
- Domestic and overseas central monitoring
- Higher worker productivity
- Reduction of equipment operational loss
- Improvement in product quality

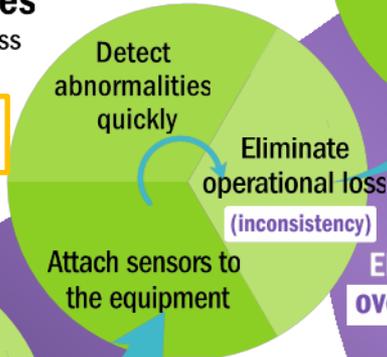
FY2018~  
STAGE3  
**Prevention  
of abnormalities**  
Full-scale operation

Implementation  
under way



FY2017~  
STAGE2  
**Early detection  
of abnormalities**  
Implementation across  
the board

Implementation  
under way



FY2016~  
STAGE1  
**Visualization  
of abnormalities**  
Trial operation

Completed



- Eliminate overburden
- Building an inspection system
- Visualization of work
- Visualization of labor force

Visualization of  
production equipment

# Medium-term Management Plan

Net sales

¥ 300 billion

Operating margin

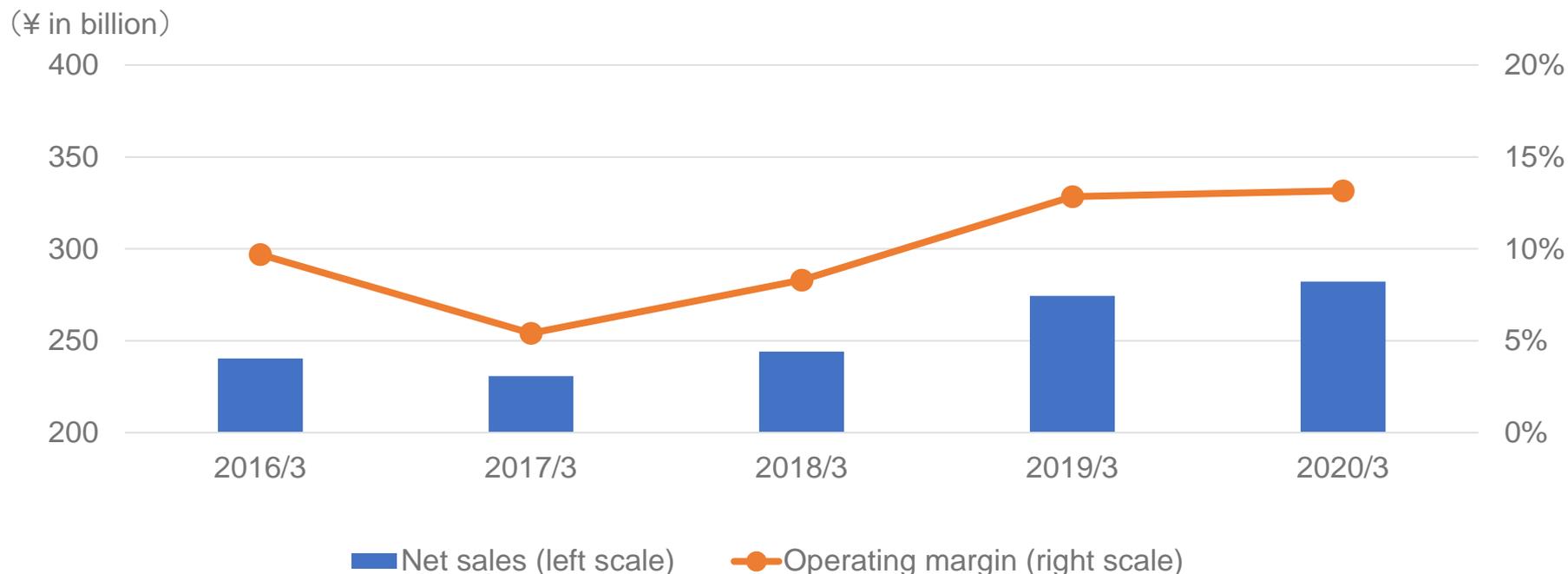
15%

ROE

above 10%

\*Schedule for achieving Medium-term Management Plan targets

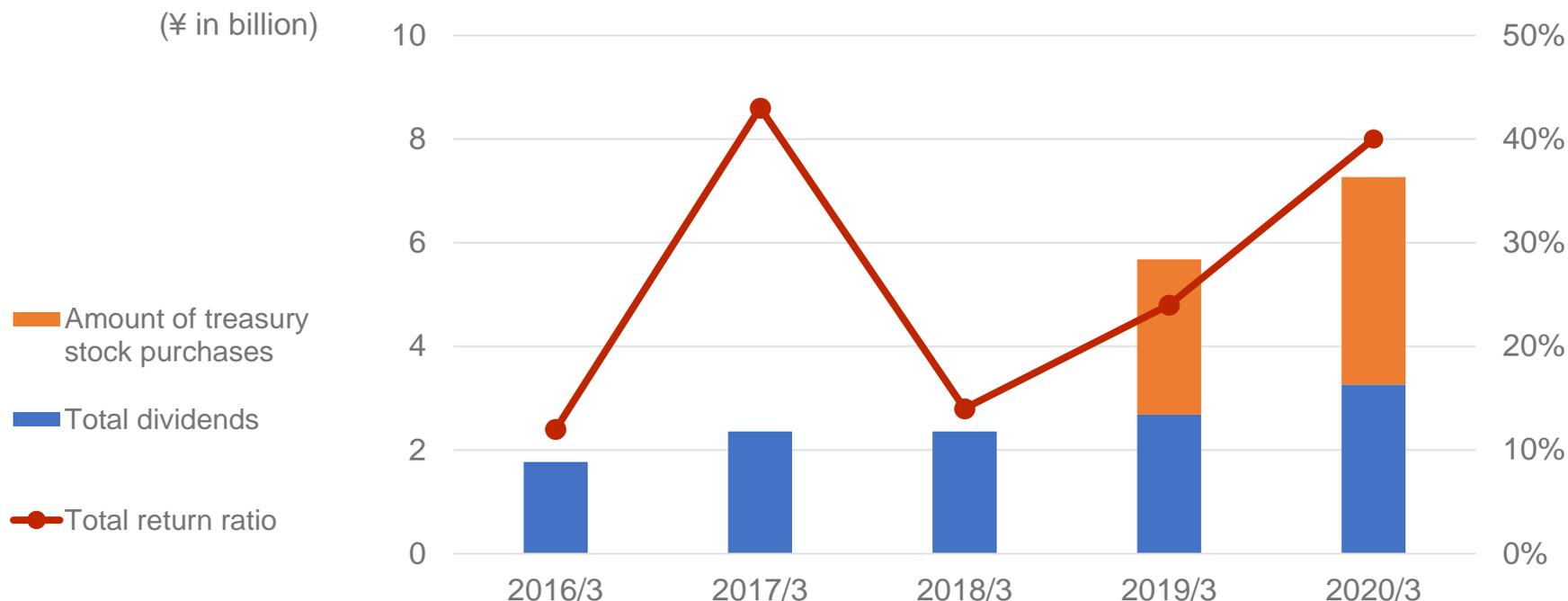
While looking to achieve targets by FY ending March 2021, yet to determine full fiscal year financial results forecasts for FYE March 2021 as of May 12, 2020



# Return to Shareholders

**Medium-term target**

**Aim to achieve a stable total return ratio of 30%**



Cash dividends per share (yen)	15	20	20	21	26
Net income per share (yen)	125.27	46.08	138.80	189.93	143.04

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## **Forward-looking statements**

This document contains information about the plans, business results, and strategies of TAIYO YUDEN CO., LTD. and the TAIYO YUDEN Group. These forward-looking statements other than historical facts represent judgments made by the Company based on information available at present and are inherently subject to a variety of uncertainties. TAIYO YUDEN cannot provide any guarantee as to the attainment of certain figures in the future. The Company's actual activities and business results could differ significantly due to changes including, but not limited to, changes in the electronics market in which the Company's business activities are centered. Readers should not overly rely on the information contained in this document.

**TAIYO YUDEN**